



STATE OF DELAWARE  
**PUBLIC SERVICE COMMISSION**

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CANNON BUILDING, SUITE 100  
DOVER, DELAWARE 19904

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March 7, 2007

TO: ARNETTA McRAE, CHAIR  
THE COMMISSIONERS  
MR. BRUCE BURCAT, EXECUTIVE DIRECTOR  
MRS. KAREN NICKERSON, SECRETARY

FROM: RUTH ANN PRICE,  
HEARING EXAMINER

RE: **IN THE MATTER OF INTEGRATED RESOURCE  
PLANNING FOR THE PROVISION OF STANDARD  
OFFER SUPPLY SERVICE BY DELMARVA POWER &  
LIGHT COMPANY UNDER 26 DEL. C. § 1007(c) &  
(d) REVIEW AND APPROVAL OF THE REQUEST  
FOR PROPOSALS FOR THE CONSTRUCTION OF  
NEW GENERATION RESOURCES UNDER 26 DEL. C.  
§ 1007(d) (Opened JULY 25, 2006)  
P.S.C. DOCKET NO. 06-241**

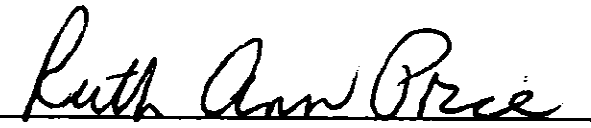
Attached for your review and for inclusion in the official file of the Commission are the prepared statements submitted by participants at the public comment session held on June 6, 2007 in the House Chambers, Legislative Hall in Dover, Delaware.

The statements were submitted for your consideration by:

1. James Black, The Clean Air Council;
2. Nicholas A. DiPasquale, Conservation Chair for Delaware Audubon;
3. Pat Todd, League of Women Voters of Delaware; and
4. Senator Harris B. McDowell, III, Chair, Energy and Transit Committee and Chair, Sustainable Energy Utility Task Force.

Thank you for your consideration.

Respectfully submitted,

  
Ruth Ann Price



**CLEAN AIR COUNCIL TESTIMONY AT THE PUBLIC HEARING ON DELAWARE  
ENERGY PROPOSALS. March 6, 2006**

My name is James Black and I am Director of Community Outreach for the Clean Air Council.

Clean Air Council is a nonprofit environmental and public health advocacy organization that seeks to protect everyone's right to breathe clean air. Incorporated in 1967 and operating in Pennsylvania, Delaware and New Jersey. The Council has roughly 2,900 members who live in Delaware.

While the Council and its Delaware members applaud the state's efforts to provide through this RFP newer cleaner electric generation for Delaware, we strongly believe there is only one of these bids that truly benefits all Delawarians. **That is the bid from Blue Water Wind.**

The Blue Water Wind bid is the only one that can guarantee substantial reductions in all pollutants (criteria and hazardous). Others tonight will discuss the air pollution impact of using fossil fuels. The wind proposal is also the only bid to deliver the long range price stability sought for with HB6.

Over the last few years we have seen the volatility of today's energy markets. The price projections from even the most expert sources are really only guesses. We can't accurately predict what will happen in the commodity markets week to week let alone over the next 25 years. Now as a former entrepreneur, I'll give you my best estimate of the commodity markets in the year 2032..... Natural gas and coal will cost more (much more) and the wind will still blow for free.

I will also make a political prediction. The US Congress will finally get its act together and there will be a carbon tax – in the United States. Congressional leaders have made it clear that facilities built before the carbon cap is fully enacted will NOT be grandfathered. Yes wind development **may** cost a bit more up front (the Council is not convinced that the other bids have fully disclosed their real costs) but wind buys Delawareans substantial levels of protection from energy market instability.

Delawareans want wind energy. I can only speak for Council members but I would guess they are fairly typical of other citizens of Delaware and from talking to our members they are overwhelmingly in support of this wind development. They are excited and proud to think that Delaware might be the first state in the United States to site offshore wind. Delaware has the opportunity to be a true leader on wind energy.



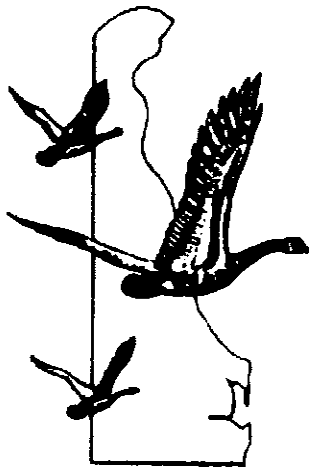
The complaint that I heard from Delmarva last week that any new energy project in Delaware would unfairly burden a small subset of their customers because energy can more cheaply be purchased out of state is at best short sighted. Wind energy is an investment in future energy security. Our members want this.

According to research done by the University of Delaware there is strong support for offshore wind development among Delawarians from every part of the state. This support remains strong even when they know they may have to pay a premium for it. Estimates at this point are that this premium would be in the range of 1.2 cents per kilowatt hour. The Council's experience in Pennsylvania and New Jersey is that customers of PECO and PSE&G have voluntarily agreed to pay a premium of 2.54 cents and 5.5 cents per kilowatt hour SIMPLY TO SUPPORT WIND ENERGY! I do not believe that the up front cost is an issue. The benefits of building offshore wind to Delaware are huge. Wind energy provides more jobs per kilowatt than any other form of electric generation. Wind is labor intensive not fuel intensive.

The proposed offshore wind facility will deliver energy security and price stability. There is no pollution associated with the wind farm. With the technical expertise of the Audubon Society, who has been so supportive of wind developments in Pennsylvania and New Jersey, bird kills can be kept to a minimum.

Clean Air Council's Delaware members strongly urge the PSC to approve the permit for Blue Water Wind to build the nation's first and worlds largest off shore wind farm in Delaware. Make Delaware the First state that thinks big. The Council reserves the right to submit additional written comments. Thank you.





## **DELAWARE AUDUBON SOCIETY**

Chapter of National Audubon  
Box 1713, Wilmington, Delaware 19899  
302-428-3959  
[www.delawareaudubon.org](http://www.delawareaudubon.org)

In the Matter of Integrated Resource Planning for the Provision of Standard Offer Supply Service by Delmarva Power & Light Company Under 26 Del. C. § 1007 (c) & (d) : Review and Approval of the Request for Proposals for the Construction of New Generation Resources Under 26 Del. C. § 1007 (d) (Opened July 25, 2006) – PSC Docket No. 06-241

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Public Comment Hearing  
Legislative Hall “House Chambers”  
411 Legislative Avenue, Dover.  
March 6, 2007  
7:00 PM

### **STATEMENT OF DELAWARE AUDUBON**

My name is Nicholas A. DiPasquale, Conservation Chair for Delaware Audubon. Delaware Audubon appreciates the opportunity to provide comment on this extremely important environmental and public health issue. Delaware Audubon was incorporated in Delaware as a non-profit organization in 1977 and is a statewide chapter of the National Audubon Society. The Audubon Society is dedicated to developing a better appreciation of our natural environment and working for species and habitat protection and conservation.

Delaware Audubon consists of approximately 1,500 members throughout the state advocating on a wide range of environmental issues and sponsoring programs, field trips and school education. Our focus is on protection of the Delaware Bay and the Coastal Zone. The following represents the organization's comments on the Independent Consultant's Report on Evaluation of Bids Submitted in Response to Delmarva Power & Light Company's RFP. This statement should be considered in conjunction with the organization's Wind Energy Statement, previously submitted to the Public Service Commission, the State Energy Office, the Director of the Office of Management and Budget and the Controller General.

The Delaware Audubon Society recognizes that these proceedings and the enactment of House Bill 6 in the last legislative session were the result of a substantial increase in electricity prices that occurred when price controls were lifted in accordance with the electric utility restructuring law of 2001.



Our organization has long supported energy conservation and the use of renewable sources of energy. It is extremely important, however, that great thought and consideration be given to the social, economic and environmental impacts associated with all energy options, including renewable sources of energy.

We have reviewed the Independent Consultant's evaluation of the three project proposals submitted in response to the Delmarva RFP. I would like to preface my remarks on the IC's evaluation report by offering the following comments:

1. The United States is the largest single emitter of carbon dioxide from the burning of fossil fuels, including both coal and natural gas, which contributes to global warming.
2. Scientists from over 130 countries now agree with 90 percent certainty that global warming is the result of human activities. The Intergovernmental Panel on Climate Change (IPCC), volume one of the Fourth Assessment Report (AR4), released on February 2, 2007 is the first comprehensive global appraisal of climate change since 2001. The AR4 reflects major advances in climate modeling and data collection compared to the IPCC's third report, resulting in more precise predictions at a higher level of confidence.
3. The State of Delaware is a member of the Regional Greenhouse Gas Initiative (RGGI) and is committed to reducing emissions that contribute to global climate change.
4. Computer projections of sea level rise show significant impacts to Delaware, especially in low-lying coastal areas in the southern two-thirds of the state.

**General Comments:**

1. The IC's report did not take into account the environmental impacts associated with mining for coal or drilling for natural gas, or in processing and transporting these fuels to local power plants for consumption.
2. The IC's report did not take into account the additional release of carbon dioxide that results from earth disturbance and deforestation associated with these activities.
3. A greater number of points and greater weight should have been assigned to the category of Environmental Impacts.
4. A more rigorous evaluation of the public health impacts of power plant emissions from each of the proposed projects should have been included. A number of independent studies have been conducted and benefit-cost assessments performed as part of EPA's Regulatory Impact Analyses that show the number of premature deaths, additional cases of asthma, chronic bronchitis, and other respiratory ailments, diseases, and development disorders associated with emissions of specific power plant pollutants. This information would have provided a much more sensitive measure against which the proposed projects could be compared.

**Bluewater Wind Scoring:**

1. Environmental Impacts – Bluewater Wind should have received more points for impacts to land. Since the proposed offshore facility by its very nature could not be



- located on land, it should have been given the full 1.5 points available for that category.
2. Environmental Impacts – Bluewater Wind should have received more points for wildlife impacts, since they have committed to conduct the necessary bird population studies prior to siting.
  3. Bidder Experience – Although the IC recognized the experienced development team Bluewater Wind has assembled, we believe this category should have been assigned a higher number of points.

#### **Conectiv Scoring:**

1. Environmental Impacts – An assessment of the waste generated from this proposed project should take into account that this facility is designed to burn both natural gas and fuel oil. Environmental impacts associated with combustion of fuel oil should have been included in the evaluation and Conectiv's project scoring for this category reduced accordingly.
2. Environmental Impacts – The zoning classification should not be used as a substitute for determining the land and wildlife impacts. This approach is inconsistent with the way the IC evaluated the Bluewater Wind proposal, which lost points because studies had yet not been conducted. Industrial sites can be found to be biologically rich, such as the Peterson Urban Wildlife along the riverfront in Wilmington, which had previously been used for shipbuilding and other industrial activities.
3. Technology Reliability – Although the technology is considered reliable, the IC should have considered potential natural gas supply disruptions that could result from acts of international terrorism or political instability in countries from which we import natural gas.
4. Site Development – The proposed location of Conectiv's 177 MW natural gas-fired combined cycle power plants is considered an Environmental Justice area, as defined by EPA. The IC incorrectly assumed that since this is an area that is zoned for industrial uses, the socio-economic impacts would be minimal. This area is home to DSWA's Cherry Island landfill, the Wilmington wastewater treatment plant and associated sludge treatment operation, Conectiv's existing power plants, DuPont's titanium dioxide plant and associated disposal areas and a variety of other industrial operations that pose cumulative risks to adjacent communities, which have expressed their belief that they are being "dumped on" because they lack the economic or political power to keep them out. Instead of the maximum value of 1.0, no credit should be awarded to Conectiv for site development.

#### **NRG Scoring:**

1. Delaware Audubon would like to introduce into the record an article from the February 21, 2007 edition of the New York Times, titled: "Cleaner Coal Is Attracting Some Doubts" by Matthew L. Wald. We also recommend that the Commission obtain a copy and consider the findings of the soon to be released MIT study referenced in the article.

#### **Attachment**



**The New York Times**PRINTER FRIENDLY FORMAT  
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DEMOGRAPHIC

**February 21, 2007****THE ENERGY CHALLENGE****Cleaner Coal Is Attracting Some Doubts****By MATTHEW L. WALD**

WASHINGTON, Feb. 20 — Within the next few years, power companies are planning to build about 150 coal plants to meet growing electricity demands. Despite expectations that global warming rules are coming, almost none of the plants will be built to capture the thousands of tons of carbon dioxide that burning coal spews into the atmosphere.

Environmentalists are worried, but they put their faith in a technology that gasifies the coal before burning. Such plants are designed, they say, to be more adaptable to separating the carbon and storing it underground.

Most utility officials counter that the gasification approach is more expensive and less reliable, but they say there is no need to worry because their tried-and-true method, known as pulverized coal, can also be equipped later with hardware to capture the global warming gas.

But now, influential technical experts are casting doubts on both approaches.

“The phrases ‘capture ready’ and ‘capture capable’ are somewhat controversial,” said Revis James, the director of the energy technology assessment center at the Electric Power Research Institute. “It’s not like you just leave a footprint for some new equipment.”

Many experts outside the industry share his concerns.

A major new study by faculty members at the Massachusetts Institute of Technology, scheduled for release soon, concludes in a draft version that it is not clear which technology — the so-called integrated gasification combined cycle or pulverized coal — will allow for the easiest carbon capture, because so much engineering work remains to be done.

“Other than recommending that new coal combustion units should be built with the highest efficiency that is economically justifiable, we do not believe that a clear preference for one technology or the other can be justified,” the draft concludes. The M.I.T. study said it was critical that the government “not fall into the trap of picking a technology ‘winner.’”

The study leader, Ernest J. Moniz, a former assistant secretary of energy in the Clinton administration, was more blunt. “Clearly in a lot of discussions, I.G.C.C. has been anointed as the solution,” he said referring to integrated gasification combined cycle. He made his comments at a symposium organized by the Aspen Institute in Washington last fall. “We certainly don’t agree with that.”

Retrofitting either a gasification or pulverized coal power plant is not just a matter of adding new equipment



and it might be impractical, the experts say. Temperatures and pressures would be designed to be in one range for a plant that captured its carbon, and another if it merely produced electricity with minimum use of fuel. Less fuel means less carbon dioxide production.

Adding carbon capture later also has implications for power supply. Early estimates are that carbon capture will require so much energy that it could reduce plant output by 10 to 30 percent.

Some experts say that the best choice may vary according to the type of coal used. Coal with high moisture content may be less suitable for gasification.

The technical assessment is certainly at odds with the hopes expressed by environmentalists. The TXU Corporation of Dallas is planning a fleet of huge new coal plants of the pulverized variety. In Austin, Tex., Tom Smith, a researcher at Public Citizen, who is helping lead the opposition, said, "It's clear that coal gasification is by far preferable to building traditional pulverized coal plants." On Tuesday a Texas District court judge blocked a plan by the governor to "fast track" TXU's application.

Getting carbon out of the gas stream before combustion must be easier, Mr. Smith said, because the post-combustion gases in a pulverized coal plant are 160 times as great.

Some utility executives agree. David Crane, the chief executive of NRG Energy, said that at some point engineers might work out an economical way to capture carbon after combustion in a pulverized coal plant, but that does not exist now.

Because carbon regulation is coming, he said, gasification plants will be needed.

"For the next generation, it's clear to me that rather than build a bunch of pulverized coal plants, with their 50-year life, the country is much better off if we go to I.G.C.C.," he said. The company is planning such a plant in Tonawanda, N.Y.

Others point out that carbon capture from gas made from coal has proved workable, at least at a relatively small nonpower plant that manufactures methane, but that it is still unproved at a large power plant. They say the only way to prove its feasibility is to go ahead now, rather than simply build plants to be modified later.

"There is no reason to wait," Robert H. Socolow, a professor at Princeton who is an expert on carbon capture, said in an e-mail message. "We are going to learn on the job."

Some environmentalists dispute the need for new coal plants, but unless there is very rapid progress soon in realizing energy efficiencies or developing the ability to extract and store huge amounts of wind and solar power at reasonable cost, more coal plants seem certain. Compared with cleaner fossil fuels, like natural gas and oil, coal is cheaper and more widely available. So finding a way to capture the greenhouse gases from these plants is critical.

At American Electric Power, which plans to build two gasification plants and add carbon separation later, Bruce H. Braine, the vice president for strategic policy analysis, acknowledged that there was a "retrofit factor" that would raise the price of such a plant above the cost of waiting a few years and building in the separation technology from the start. But because there is demonstrable evidence that separating carbon



from gasified coal would work better than at a pulverized coal plant, he said, "we think it's the right thing to do to move the I.G.C.C. technology forward."

Engineers agree that it is easier to remove sulfur, mercury, particles and other conventional pollutants from plants that use gasification. But they are more expensive to build, and the industry has little experience with their reliability. Even the manufacturers concede this.

"It will work," Randy Zwirn, the chief executive of Siemens Power Generation, said of the ability to separate carbon from a gasified coal plant. "The question is, Can it be done economically?"

Power companies need to start getting experience in this field, he said, but they will need subsidies or agreements with state regulators to avoid being unfairly penalized for testing designs that turned out not to run very well, at least not at first. Otherwise, he said, they would stick with tried-and-true methods and the early steps to a truly revolutionary technology might never be taken.

John Thompson, director of the Coal Transition Program at the Clean Air Task Force, an environmental group, argued that coal gasification was superior because it allowed far better control of conventional pollutants, like mercury, and because it offered new ways of making money from coal-fired plants. For example, he said, they might use a gasifier that made fuel for a power generator during peak hours, and in off-peak hours made gas that could be turned into liquid fuel for vehicles or other valuable chemicals.

But at the Electric Power Research Institute, which surveys the technologies for low-carbon generation, Steve Specker, the president, refers to a "horse race" between pulverized coal and combined cycle.

For all the questions about the coal technologies, any new plant should at least be an improvement on what is operating now. The reason is that many plants now running require about 10,000 B.T.U.'s of heat to make a kilowatt-hour. But newer designs, called "supercritical," use hotter steam, with no moisture, and get more work out of it.

The newest designs, which the industry calls "ultra supercritical," push down the amount of heat needed to make a kilowatt-hour; engineers expect to reach the range of 7,500 B.T.U.

This will be small consolation, however, if the total number of kilowatt-hours rises sharply at the same time that reducing carbon emissions becomes a national goal.

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# ***League of Women Voters of Delaware***

2400 W. 17th Street, Clash Wing, Room 1 Lower Level  
Wilmington, DE 19806-1311 Phone/Fax: (302) 571-8948  
E-mail: [lwvde@voicenet.com](mailto:lwvde@voicenet.com) Home Page: <http://de.lwv.org>

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**March 6, 2007**

**TO: MEMBERS OF THE PUBLIC SERVICE COMMISSION**

**FROM: LETITIA L. DISWOOD AND CHRISTINE L. STILLSON,  
CO-PRESIDENTS**

**RE: COMMENTS ON INDEPENDENT CONSULTANT'S  
EVALUATION OF BIDS IN RESPONSE TO DELMARVA'S RFP**

The choices on what types of technologies and approaches are to be used to meet the electrical energy demands of Delaware's growing population are important to its citizens, not only because of the very large recent increases in energy costs and what future costs will be, but because of the impacts the choices made now will have on our health and welfare for a long time to come. Thus it is important that the selection processes be as transparent as possible.

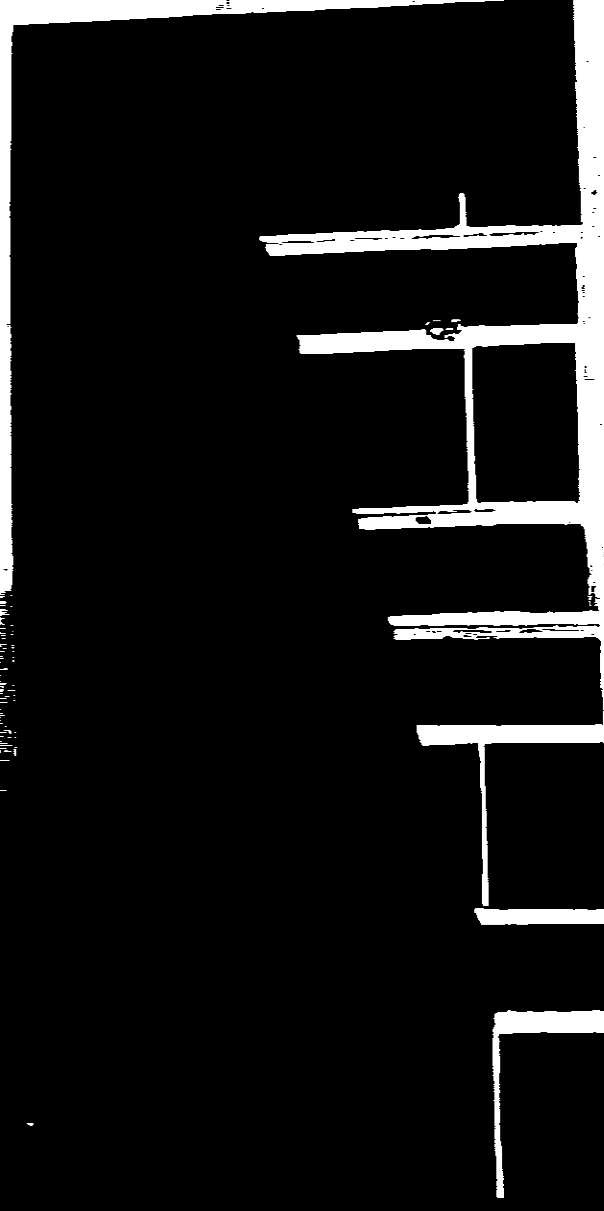
Unfortunately, an inherently complex issue has been made all the more difficult by the unnecessary redaction of key environmental and cost data by bidders, and the use of proprietary computer models and technical jargon by the evaluators. The bid evaluations by the Independent Consultant and Delmarva fall disappointingly short of the clarity required for citizens to understand and consider for themselves the bids and their evaluation, thus potentially undermining public confidence in the results.

The League of Women Voters of Delaware takes the position that global climate change is real, that it is caused primarily by human generated greenhouse gases--of which carbon dioxide is the most important--and that it poses an increasing threat to both society and wildlife. Accordingly, the League opposes any new electrical power generation for Delaware (whether those plants are located in the state or elsewhere) that increases greenhouse gas emissions or other pollutants. The League favors conservation, increased energy efficiency, price stabilization and a transition as soon as possible to renewable energy sources.

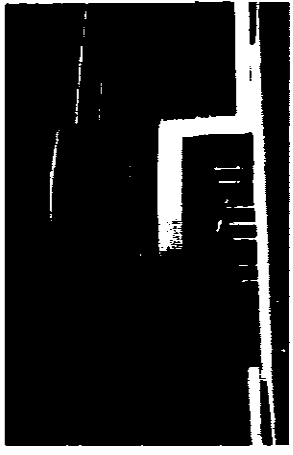


Senator Harris B. McDowell, III  
Chair, Energy and Transit Committee  
Chair, Sustainable Energy Utility Task Force

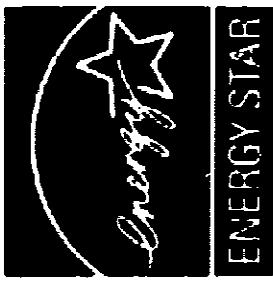
Dr. John Byrne  
Director, Center for Energy & Environmental Policy  
Co-chair, Sustainable Energy Utility Task Force







# New Direction – Ambitious Goals



## ***By 2015***

- Help Delawareans use 30% less energy\* – ALL FUELS
  - 1/3 of savings in our homes, 1/3 in our businesses, 1/3 in our cars and transportation services
  - Delivered through performance contracting by a new, competitive *Sustainable Energy Utility*

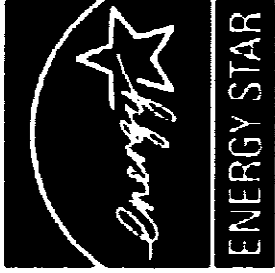
## ***By 2019***

- Install over 300 MW of renewables at homes & businesses
  - 200 MW of Geothermal, Wind & Solar Thermal installed as a result of upgraded State Renewable Portfolio Standard (RPS)
  - 100 MW of Solar Electric on residential and commercial buildings through the new RPS Solar Carveout
  - Equivalent to an additional 10% cut in our State's Carbon Footprint

## ***Both Goals – 25% reduction in Delaware's carbon footprint***

\* Assumes a 33% participation rate by 2015



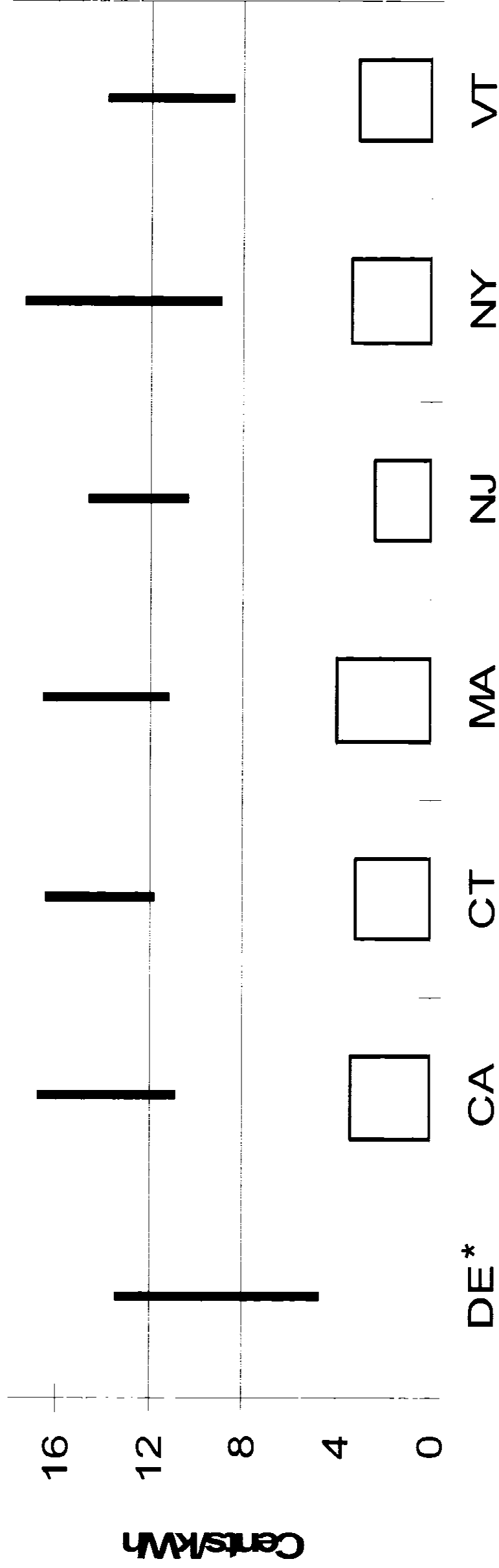


# Energy Efficiency

## Delaware's Cheapest and Cleanest Resource

### Cost of Energy Efficiency vs. Price of Retail Electricity

Cost to States for Energy Efficiency



□ Cost of Energy Efficiency

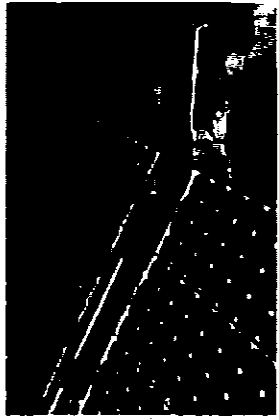
■ Price Range for Electricity for Residential, Commercial, and Industrial Customers (July 2006)

\* No data available. Delaware did not fund energy efficiency until July 1, 2006.



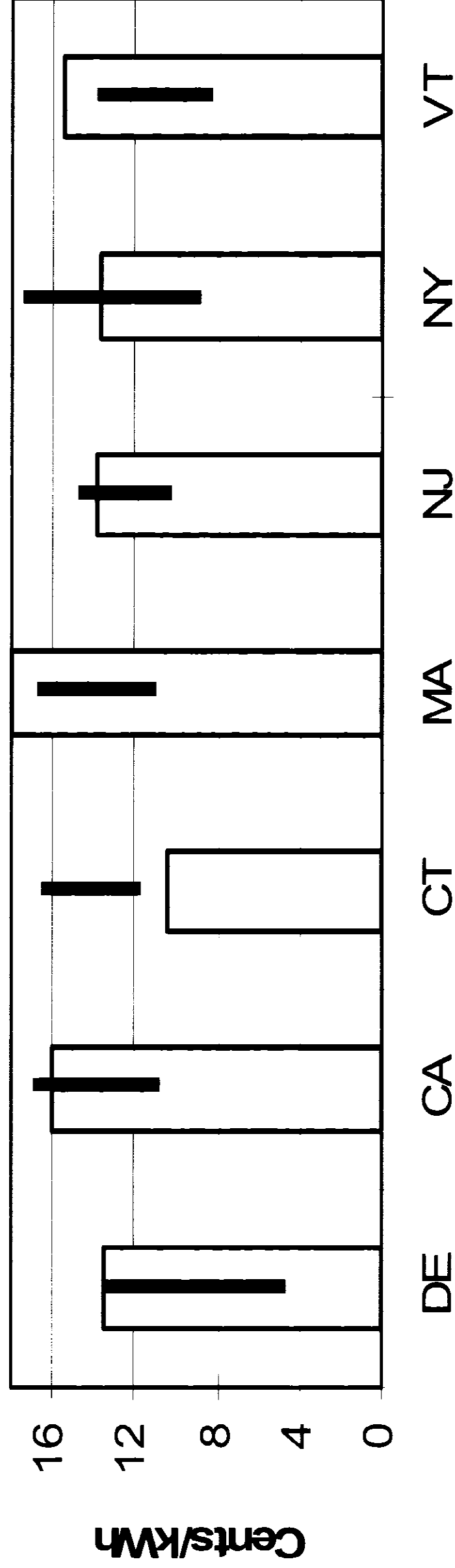
Center for Energy and Environmental Policy





## Renewable Energy *Clean Energy, Made in Delaware*

### Levelized Cost of Electricity for PV After Incentives



□ Levelized Cost of Electricity for PV

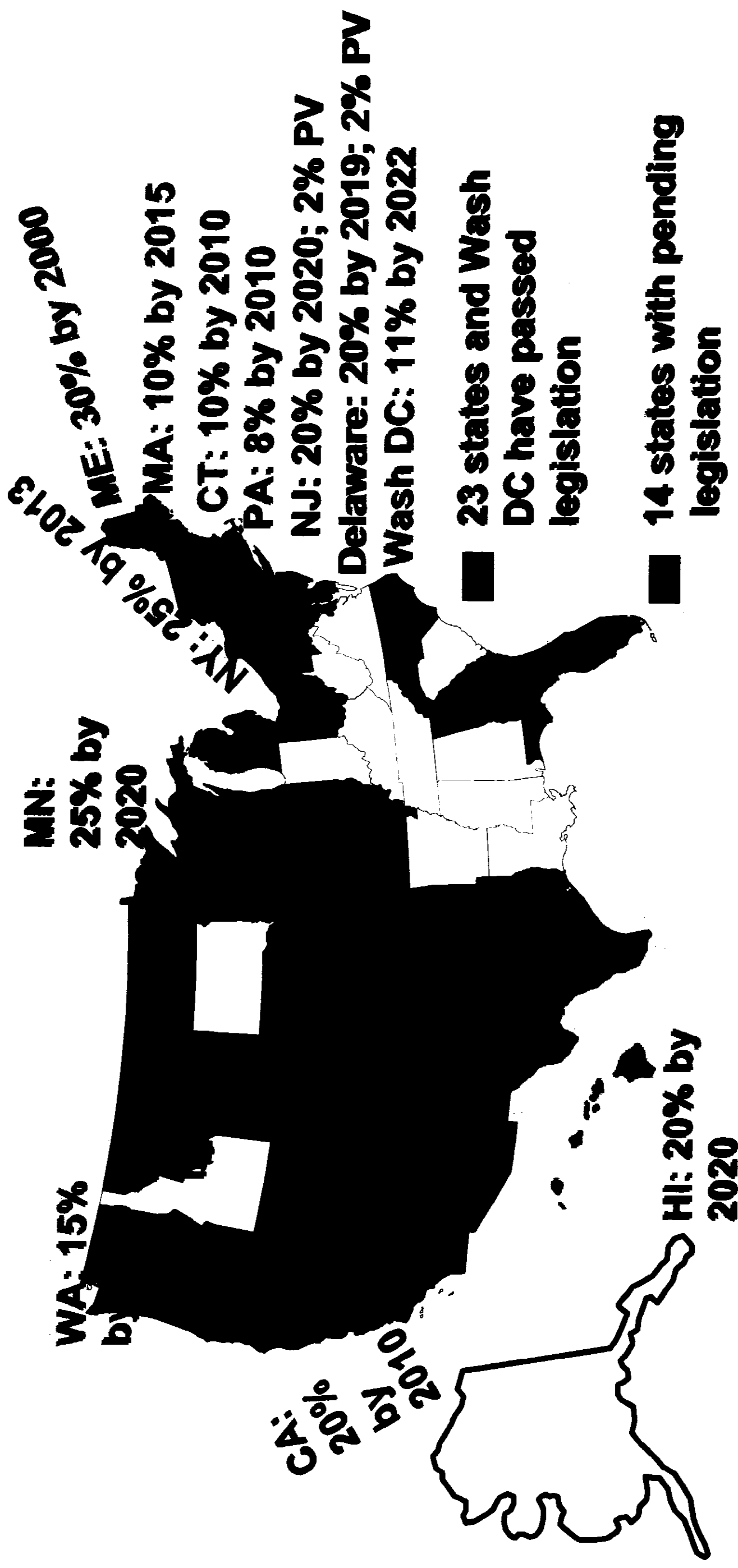
■ Price Range for Electricity for Residential, Commercial, and Industrial Customers (July 2006)



**Center for Energy and Environmental Policy**



# State Renewable Portfolio Standards in the U.S.



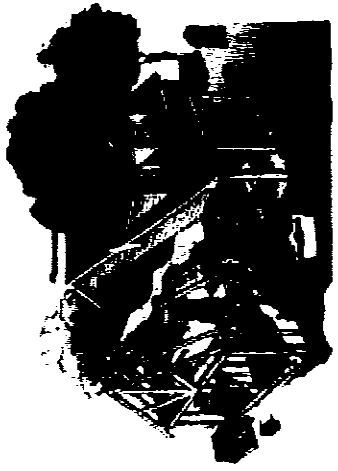
**Sources: CEEP, 2007;  
DSIRE, 2007; UCS, 2005**

**29 states have completed  
Climate Change Action Plans  
(US EPA, 2006)**



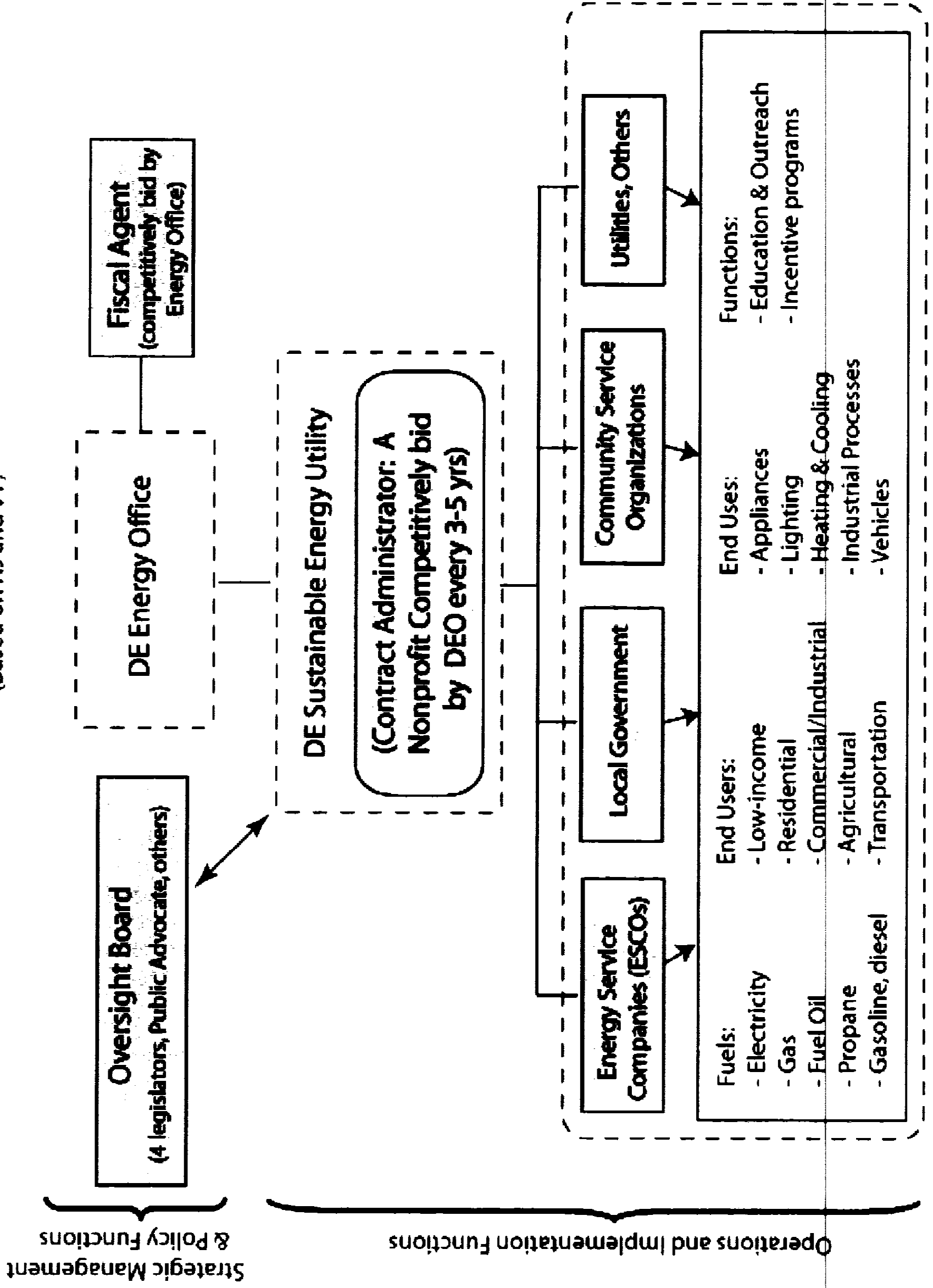
**Center for Energy and Environmental Policy**





# Delaware Sustainable Energy Utility

## Proposed Delaware SEU Framework (Based on NJ and VT)

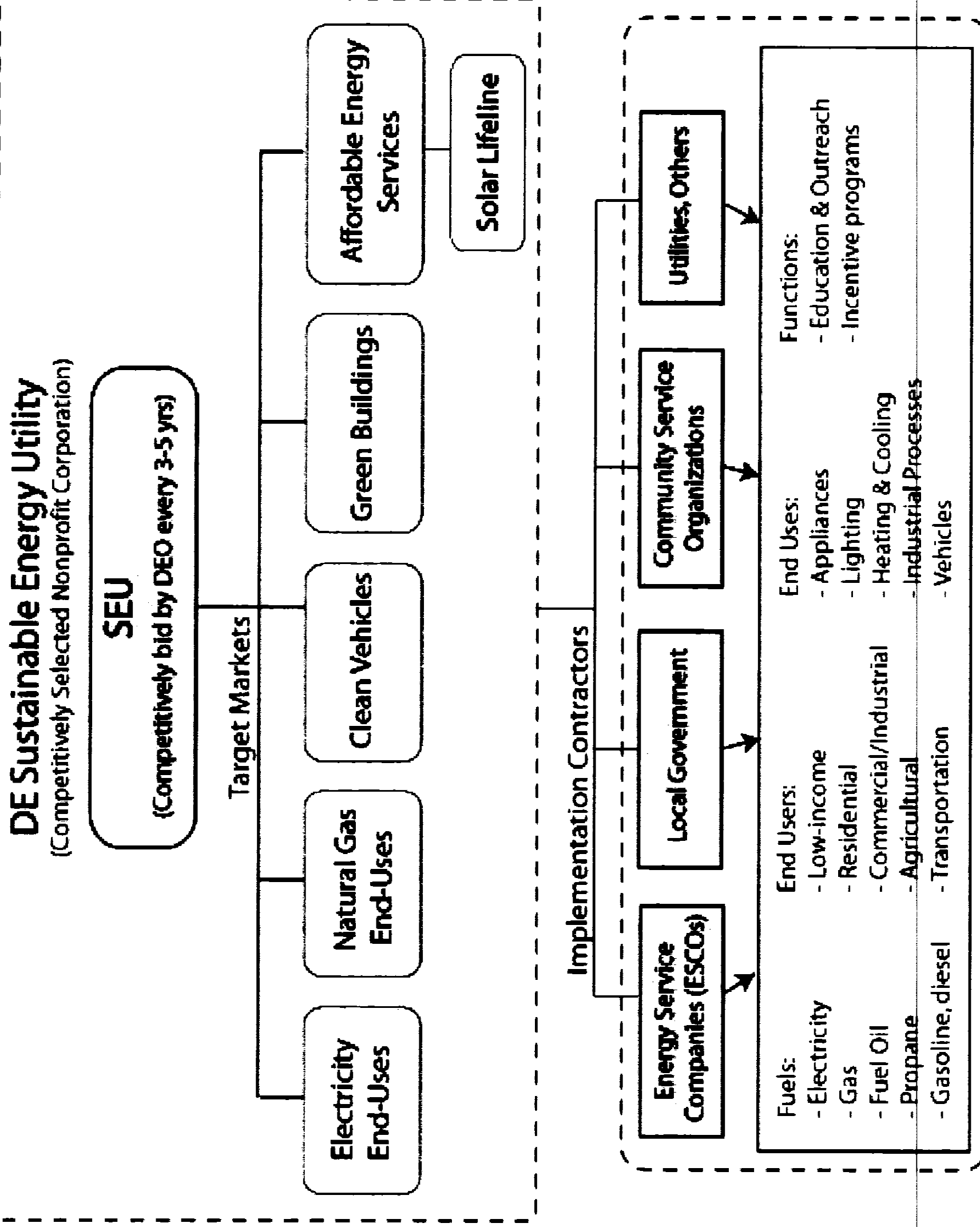






# Delaware Sustainable Energy Utility

## Target Markets





# SEU Prospectus

SEU Bond Debt Service									
Year	Net SEU Revenues (before Debt Service)	Tax Exempt Bond Floats (4 in all; maturity for all = 2019)				SEU Bond Debt Service			
	Balance of SEU Costs and Revenues	Bond Floats	Annual Interest Cost for Bond 1 (Yield = 5.20%)	Annual Interest Cost for Bond 2 (Yield = 5.0%)	Annual Interest Cost for Bond 3 (Yield = 4.90%)	Annual Interest Cost for Bond 4 (Yield = 4.90%)	Net SEU Revenue (after Debt Service and Bond Retirement)	SEU Bottom Line	Cumulative Cash Flow
2008	-\$4,381,607	Bond 1: \$7.7m	-\$400,400				\$2,917,993		\$2,917,993
2009	-\$2,260,581		-\$400,400				-\$2,660,981		\$257,012
2010	-\$5,270,361	Bond 2: \$5.9m	-\$400,400	-\$295,000	-\$338,100	-\$220,500	-\$65,761		\$191,251
2011	-\$5,812,547	Bond 3: \$6.9m	-\$400,400	-\$295,000	-\$338,100	-\$220,500	\$53,953		\$245,204
2012	-\$3,300,810	Bond 4: \$4.5m	-\$400,400	-\$295,000	-\$338,100	-\$220,500	-\$54,810		\$190,395
2013	\$4,670,484		-\$400,400	-\$295,000	-\$338,100	-\$220,500	\$3,416,484		\$3,606,878
2014	\$6,400,267		-\$400,400	-\$295,000	-\$338,100	-\$220,500	\$5,146,267		\$8,753,146
2015	\$6,397,756		-\$400,400	-\$295,000	-\$338,100	-\$220,500	\$5,143,756		\$13,896,902
Sub-total	\$310,393		-\$3,203,200	-\$1,770,000	-\$1,690,500	-\$882,000	\$13,896,902		
2016	\$8,858,915		-\$400,400	-\$295,000	-\$338,100	-\$220,500	\$7,604,915		\$21,501,817
2017	\$21,836,259		-\$400,400	-\$295,000	-\$338,100	-\$220,500	\$20,582,259		\$42,084,075
2018	\$15,514,250		-\$400,400	-\$295,000	-\$338,100	-\$220,500	\$14,260,250		\$56,344,325
2019	\$18,751,088		-\$400,400	-\$295,000	-\$338,100	-\$220,500	-\$7,502,912		\$48,841,413
TOTALS	\$65,270,904		-\$4,804,800	-\$2,950,000	-\$3,042,900	-\$1,764,000	\$48,841,413		
							All Bond Interest		
							-\$12,561,700		
							Total Bond Float		
							\$25,000,000		

\* Revenue Assumptions

\$25 million in Sustainable Energy Special Purpose Revenue Bonds are authorized.

GEF mill rate is doubled.

REC revenues are received as projected based on declining price schedule.

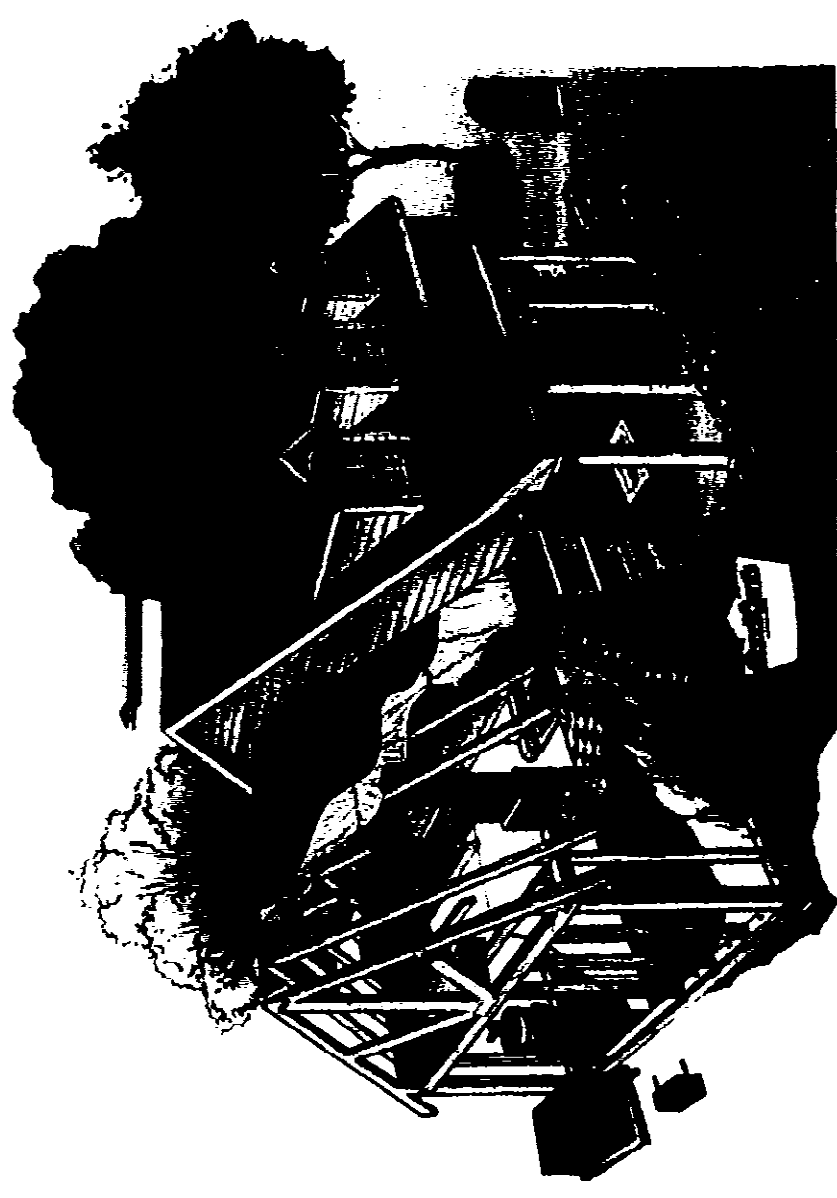




## ***Delaware Sustainable Energy Utility***

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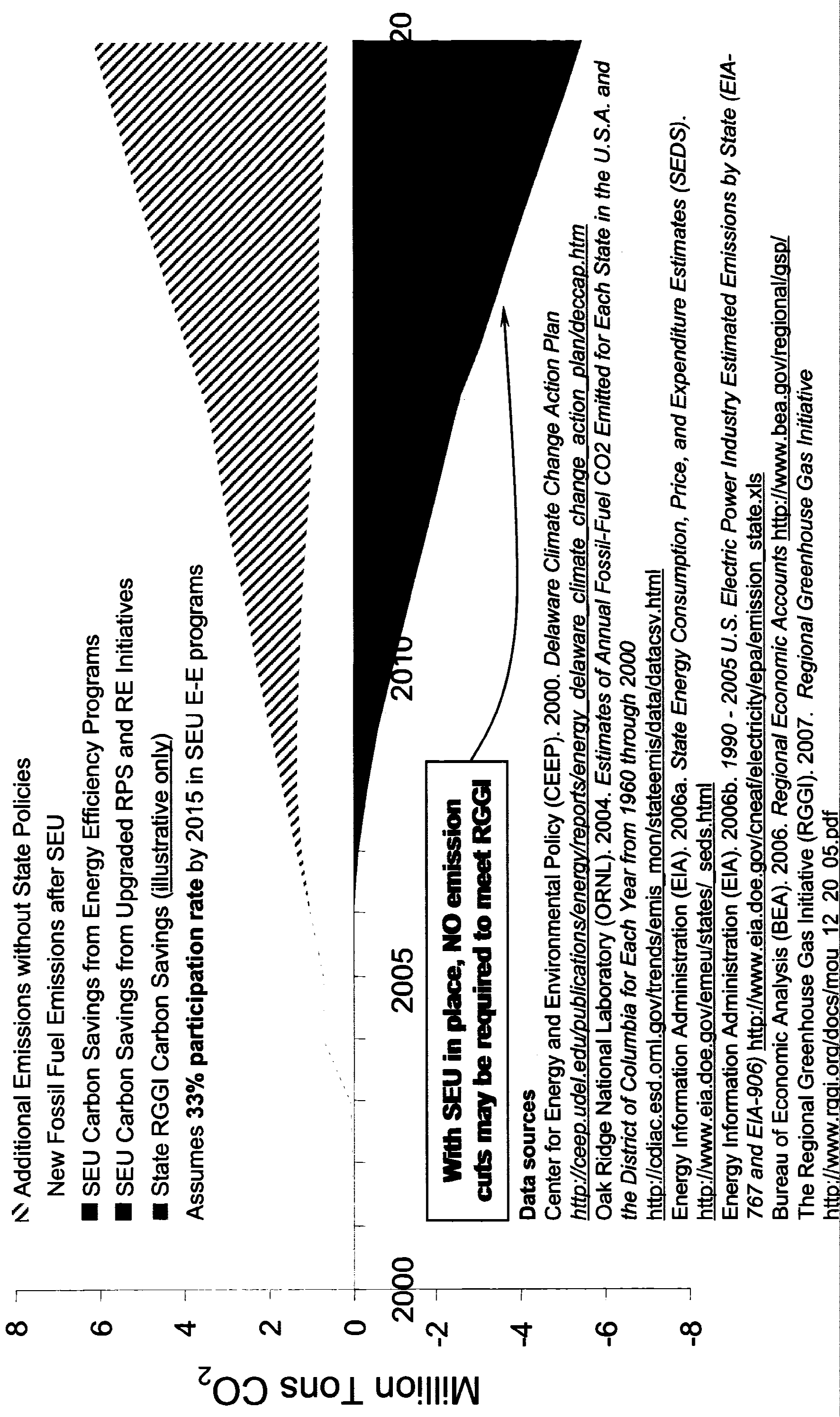
- Delaware's Clearinghouse for Sustainable Energy
  - Energy Efficiency
  - Customer-Sited Renewables
  - Affordable Energy
  - Clean Vehicles
  - Green Buildings
- Create New Markets & New Jobs
- Competitive Market with Public Oversight





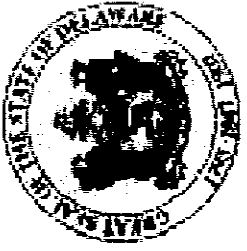
# Sustainable Energy Delaware

## Our Best Environmental Policy



**Center for Energy and Environmental Policy**





# Policy Initiatives



- **Renewable Portfolio Standard (RPS) – Increased**
  - Upgrade to proven ‘best practice’: 20% by 2019; add 2% solar carveout
- **Green Energy Fund (GEF) – Doubled**
  - Support customer-sited renewables, energy efficiency & affordable energy
  - Increase for the average consumer of only 18 cents per month
- **Net Metering Standards – Updated**
- **Authorize a *Sustainable Energy Bond***
  - Authorize our State to invest \$25 million in an Energy Future that creates jobs, lowers energy bills and improves our environment
- **Create the *Delaware Sustainable Energy Utility***
  - Reduce energy consumption for participating families by 30% by 2015 & add \$1,100 per year to the household budget
  - Install over 300 MW of Geothermal, Wind, Solar Electric & Solar Thermal
  - Establish 25 MW Solar Lifeline and lower electric bills 17% for low and moderate income families
  - Create more than 4,000 jobs to develop energy efficiency & renewable energy
  - Cut State CO<sub>2</sub> emissions in 2020 by 33%
  - ~~Relieve local grid congestion—reduce power outages~~
  - Offer one-stop, comprehensive sustainable energy services to all Delawareans